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DE RUEHUL #0082/01 0102302 ZNY CCCCC ZZH O 102302Z JAN 07 FM AMEMBASSY SEOUL TO RUEHC/SECSTATE WASHDC IMMEDIATE 2292 INFO RUEHBJ/AMEMBASSY BEIJING 1850 RUEHMO/AMEMBASSY MOSCOW 7763 RUEHKO/AMEMBASSY TOKYO 1949 RUEHUM/AMEMBASSY ULAANBAATAR 1447 RHMFISS/COMUSKOREA J5 SEOUL KOR RHMFISS/COMUSKOREA J2 SEOUL KOR RHMFISS/COMUSKOREA SCJS SEOUL KOR RHHMUNA/CDR USPACOM HONOLULU HI RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/EAP//

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SUBJECT: NEW MINISTER OF UNIFICATION VOCAL ON NORTH KOREAN

AID AND POSSIBLE SUMMIT

Classified By: POL M/C Joseph Yun. Reasons 1.4 (b/d)

SUMMARY

11. (C) When he replaced Lee Jong-seok as Minister of Unification in mid-December, President Roh Moo-hyun's confidant Lee Jae-joung said that Seoul's engagement policy with the North -- essentially on hold since the July missile launches -- would not change. But since then he has irked conservatives, who strongly opposed his nomination because of his perceived pro-DPRK stance, and made headlines by intimating that engagement should be turned back on: should be North-South summit meetings starting with a visit to Seoul from Kim Jong-il, and the South needs to do more to address North Korean poverty. Lee has been careful to say that conditions are not yet ripe for either a summit or resumption of aid. But his forward-leaning suggestions are read as aspirations from President Roh, who feels the need to accomplish something significant on this front during his last year in office, and Lee's own agenda to promote
North-South reconciliation. Even so, our ROKG contacts tell us that, under the strong insist ence of Foreign Minister Song Min-soon, ROKG policy remains unchanged for now: there must be progress at the Six Party Talks before a summit is seriously considered or official aid to the North is resumed. END SUMMARY.

SUMMIT SUGGESTION

12. (SBU) Minister Lee Jae-joung came into office in mid-December saying that the engagement policy would remain unchanged. Since this low-profile Anglican minister was following the politically connected Lee Jong-seok, many expected not to hear much from him. But the new Minister raised eyebrows in his initial press conference on December 11 by calling an inter-Korean summit a long-pending issue that needed to be addressed by the heads of state. Since Lee Jae-joung is known to be close to President Roh, these initial comments can plausibly be seen as President Roh's attempt to keep hope alive for a summit with Kim Jong-il during this election year -- a last chance to put points on the board for the stalled North-South "Policy for Peace and Prosperity." Lee's comments also echoed Uri Party Chairman Prosperity." Kim Geun-tae's November call for a special envoy to be sent to North Korea to request an "unconditional" North-South summit. The conservative Chosun Ilbo interpreted Lee's first remarks as Minister as represent

ing Roh's views: "President Roh Moo-hyun keeps saying the North's nuclear weapons are nothing to worry about: he is begging Kim Jong-il for a meeting.

- 13. (SBU) President Roh has not recently commented publicly on the possibility of a summit, not even during his rambling 70-minute December 21 remarks to the National Unification Advisory Council. But Lee returned to the subject during a January 8 interview with Yonhap News, saying that a summit should focus on a peace regime for the Korean Peninsula if Kim Jong-il honors his earlier promise to hold the meeting, and that such summits should occur regularly. Lee was careful to say that there were no concrete plans for a summit, and that now would not be a good time to send an envoy to explore the possibility of a summit, "...as we are dedicated to the Six Party Talks and the international community is strengthening sanctions against North Korea."
- $\P4$. (C) Asked whether the wheels were turning to gear up for a summit, MOU Director of the International Cooperation Team Kim Jung-ro said no, explaining that there was no such activity in MOU, which is responsible for most official inter-Korean communication, nor, to his knowledge, through the National Intelligence Service (NIS). A third possibility for exploring a summit would be through private contacts, which he could not evaluate. Kim added that he saw no reason to expect the DPRK to agree to a summit if the ROK were to pursue one, since President Roh would soon be out of office, and, more importantly, since it would be unlikely that the North could receive the large payoff (USD 400-500 million) it received for the June 2000 Kim Dae-jung - Kim Jong-il summit.
- engagement policy who expected to meet Kim Jong-il again in mid-2006 until the missile launch issue arose, has also

15. (SBU) Former President Kim Dae-jung, the father of the

weighed in calling for a Roh-Kim Jong-il summit even during Roh's last year in office. Kim Dae-jung said in a January 4 interview he saw a strong prospect for solving the North Korean nuclear crisis this year and that a summit would be important so that the momentum in inter-Korean relations would not be lost.

POVERTY IN THE NORTH; RESUMPTION OF AID AND MORE

- 16. (SBU) Lee Jae-joung also got attention with a two-page New Year's message, e-mailed to all MOU officials (and posted on MOU's homepage in English), that said in part that the South, as a country exporting USD 300 billion in goods per year, must assume responsibility for solving the poverty of North Korea, citing blood ties. His comments on North Korea acknowledged the Six Party Talks process but also conveyed a sense of impatience to move forward on engagement: "We need to make sure that the North's nuclear issue can be solved through Six-Party Talks. Also, we have a responsibility to support it through inter-Korean dialogues. We do not have enough time. Significant changes in recognition and alternative plans are needed. The Ministry of Unification should build a road where there is no road or widen the road if it is too narrow." (See septel on ROKG aid patterns in recent years.)
- 17. (SBU) The message also implies that the current engagement policy is justified even in the face of the North's nuclear provocation: "We have achieved a broad range of inter-Korean cooperation in several fields including economy, culture, religion, art and study. Thanks to cooperation and exchanges, South Koreans could cope with the situation in a stable way based on wide understanding about the importance of peaceful dialogue even after the North's nuclear test." Close to the end of the message Lee writes, "Our history and peace cannot be realized by any other nation. 18. (SBU) Lee's failure to mention the DPRK regime's responsibility for the country's poverty, or to chide the North at all, raised hackles, especially since it was reminiscent of Lee's refusal to state that North Korea

invaded the South in 1950 during National Assembly hearings (he later grudgingly acknowledged that the North had started the war). Asked about the New Year's message, Lee argued that aid should go beyond the current (suspended) food and fertilizer to include infrastructure projects and assistance. "We need to offer aid to North Korea from a more productive and longer perspective beyond what is currently being done; we need to restate our concept of aiding the North so that it can continue under the next administration," he said on January 2. Lee also said that poverty was part of the reason that the North performed its October nuclear weapon test.

COMMENT

- 19. (C) Unification Minister Lee Jae-joung belongs to the progressive extreme of the ruling Uri Party, a space also occupied by various NGOs, including those focusing on North Korea, the environment, and worker rights. While those on the opposite end of the South Korean political spectrum the die-hard conservatives would call Lee a communist, that he is not. Rather, he believes that a true reconciliation, leading to reunification, is possible, but only by respecting the North and Kim Jong-il— as legitimate sovereign entities, and avoiding confrontational policies. To a large extent, these are also the views of President Roh, as with Lee's remarks on a summit and a more elaborate engagement policy.
- 110. (C) Lee is clearly determined to resume aid and further advance the engagement policy. He will look for early opportunities to resume food and fertilizer aid, and will keep pressing for a summit if political conditions permit. Thus far Roh has chosen to back FM Song, because he has been able to convince his president that Washington is making a serious attempt in the Six Party Talks. Still, Lee, like Roh, is acutely aware that only a year remains for this government and that they must "do something" to protect its legacy on North Korea policy. We expect pressure to mount for this government to resume food and fertilizer aid, whether or not there is progress in the Six Party Talks.